

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF VIRGINIA
HARRISONBURG DIVISION

IN RE:)	
)	Chapter 7
HOWARD STANLEY KIRK QUICK and)	Case No. 22-50468
AUDREY KAY QUICK,)	
)	
Debtors.)	
_____)	
)	
JOHN P. FITZGERALD, III,)	
Acting United States Trustee For Region Four,)	
)	
Movant,)	
)	
v.)	
)	
GARDNER LEGAL LLC)	
d/b/a OPTION 1 LEGAL)	
)	
Respondent.)	
_____)	

NOTICE OF HEARING

PLEASE TAKE NOTICE that a hearing on this Motion will be held on **June 21, 2023 at 10:00 a.m.** in the United States Bankruptcy Court for the Western District of Virginia before the Honorable Rebecca B. Connelly. The hearing shall be held via Zoom for Government video conferencing technology using the following information: Meeting ID: 160 369 2643. URL: <https://vawb-uscourts-gov.zoomgov.com/j/1603692643>

PLEASE TAKE NOTICE that, pursuant to Local Rule 9013-1(M), if you oppose the relief sought in this motion you must file a written response in compliance with that Local Rule at least seven (7) days prior to the date of the hearing. Under Local Rule 9013-1(M), if you fail to file a response the Court may treat the Motion as uncontested and enter an Order granting the Motion without further notice or opportunity for hearing.

MOTION TO APPROVE SETTLEMENT

COMES NOW John P. Fitzgerald, III, Acting United States Trustee for Region Four, by counsel, moves the Court pursuant to §§ 105 and 329 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”) and Federal Rule of Bankruptcy Procedure 2017

and 9019 and seeks approval of a settlement with Gardner Legal LLC d/b/a Option 1 Legal. In support of this Motion, the United States Trustee states as follows:

1. On or about June 28, 2019, Howard Stanley Kirk Quick and Audrey Kay Quick (the “Quicks” or the “Debtors”), the debtors in this case, entered into a retainer agreement with Gardner Legal LL d/b/a Option 1 Legal (“Option 1”). Under the contract, Option 1 was to provide certain legal services to Debtors whereby the Debtors would make regular payments to Option 1, Option 1 would keep a portion of the payments for fees for itself and third parties and use the remaining funds to pay settlements it negotiated with the Quicks’ creditors.

2. Between July of 2019 and July of 2022, the Debtors paid Option 1 the total sum of \$10,036.51 (\$15,866.10 less a pre-petition refund of \$5,829.59).

3. The Quicks filed a voluntary Chapter 7 Petition in this Court on October 20, 2022.

4. The Quicks disclosed payments to Option 1 in response to Question 17 on the Statement of Financial Affairs they filed at the commencement of the case.

5. The United States Trustee, by counsel, reviewed and investigated the Quicks’ retainer agreement and dealings with Option 1 and payments to same and determined that he had cause to file a motion pursuant to Section 329 against Option 1 seeking review of the fees the Quicks paid to Option 1.

6. On April 5, 2023, the United States Trustee did file such a Motion for Review of Attorney’s Fees [Docket No. 21] (the “329 Motion”).

7. After the filing of the 329 Motion, the United States Trustee, by counsel, was contacted by counsel for Option 1 regarding the matter.

8. Option 1, through counsel, provided the United States Trustee with information regarding the dealings between the Quicks and Option 1 and the disbursement of the sums the Quicks paid to Option 1.

9. During their discussions, the United States Trustee and Option 1 communicated about a resolution of the matter and have reached agreement regarding a settlement subject to approval of the Court.

10. The settlement calls for Option 1 to pay the sum of \$5,441.98 to the Chapter 7 Trustee in this matter to administration as an asset of the estate.

11. The amount of the settlement payment was determined as follows:

Amount	Comment
\$15,866.10	Total paid by the Debtors to Option 1 based on information from Option 1
-\$2,957.80	Amount paid by Option 1 to creditor(s) of the Quicks pursuant to a settlement negotiated by Option 1
-\$5,829.59	Amount refunded to the Debtors pre-petition.
\$7,078.71	Sub-total (amounts paid to Option 1).
-\$5,441.98	Amount Option 1 to pay to the Chapter 7 Trustee (settlement payment).
\$1,636.73	Maximum amount to be retained by Option 1 and third-parties pursuant to this settlement. ¹

12. Specifically, the proposed resolution is as follows: A) Without admitting fault, Option 1 will pay the sum of \$5,441.98 to the Chapter 7 Trustee in this case to be administered as an asset of the estate; B) the 329 Motion will be dismissed, with prejudice, as to Option 1, however

¹ In some cases, information provided by the Debtors regarding the amounts at issue and information provided by Option 1 regarding the amounts at issue differ slightly. The United States Trustee considered these discrepancies when agreeing to the proposed settlement.

the United States Trustee shall retain the right to bring any other lawful action against Option 1 and in the event of such action, the United States Trustee shall have the right to introduce any relevant evidence, including the 329 Motion or allegations that may have arisen prior to the filing of the 329 Motion.

13. The United States Trustee believes that this proposed resolution of this matter is fair and equitable given the facts of the matter and the parties' legal positions and is in the best interests of all parties to this matter.

WHEREFORE the United States Trustee, by counsel, requests that the Court approve the settlement of this matter as set forth herein.

Date: May 16, 2023

Respectfully submitted,

JOHN P. FITZGERALD, III
ACTING UNITED STATES TRUSTEE

By: /s/ B. Webb King

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CERTIFICATE OF SERVICE

I certify that on May 16, 2023, I caused the foregoing to be electronically filed with the United States Bankruptcy Court for the Western District of Virginia which caused electronic notifications of filing to be served on all registered users of the CM/ECF System that have appeared in this case. On this same date, I transmitted a copy by mail and email as follows:

Timothy F. Burnette, Esq.
Counsel for Option 1
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/s/ B. Webb King